

MEDIA RELEASE

Iowa Department of Inspections and Appeals \$ Lucas State Office Building \$ Des Moines, Iowa 50319-0083

For Immediate Release

Date: April 16, 2004
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Registered Amusement Device Rules Now In Effect – Enforcement Actions Pending

DES MOINES, IOWA – Iowa Department of Inspections and Appeals (DIA) Director Steve Young today reminded owners, operators, distributors and manufacturers of electrical and mechanical amusement devices to continue registering their devices or face potential criminal prosecution. “The Department’s administrative rules regulating these devices are now in effect, which means that individuals who have failed to comply with the law may now be subject to criminal penalties, including the confiscation of their amusement devices,” Young said.

Earlier this year, the Department adopted new administrative rules regulating electrical and mechanical amusement devices. However, the Legislature’s Administrative Rules Review Committee delayed the implementation of those rules.

“On Monday the Committee removed its delay on the Department’s rules, which means they are now in effect,” the Director noted, adding: “Enforcement with the law is forthcoming.”

Under DIA’s administrative rules, all electrical and mechanical amusement devices that pay out prizes are required to be registered with the Department. Individuals who act as a manufacturer, manufacturer’s representative, or distributor of these devices also must be registered with DIA. Each registered device must have a state-issued sticker permanently affixed to the front of the machine and

visible to the general public. The annual cost of registering an electrical and mechanical amusement device is \$25 per machine.

Additional restrictions on the use of electrical and mechanical amusement devices include the following:

- Amusement devices may only be purchased or leased from a manufacturer, manufacturer's representative, or distributor registered with DIA.
- Qualified organizations exempt from federal income tax may have up to four (4) registered amusement devices per location; all other entities may only have two (2) registered amusement devices per location.

"Iowa law requires that a manufacturer, manufacturer's representative, or distributor of an electrical and mechanical amusement device be registered with DIA if the individual intends to make a device available for sale or use in the State of Iowa," Young continued. The annual registration fee for a manufacturer, manufacturer's representative, or distributor is \$2,500 per category.

To facilitate the registration of amusement devices, manufacturers, manufacturer's representatives, and distributors, the Department developed an online registration system. The system, referred to as the Gaming Machine Management System (GMMS), can be accessed through the DIA's web site at www.state.ia.us/government/dia. Information about the registration process, as well as restrictions on the amusement devices can also be found on the Department's web site. Since its inception on September 26, 2003, more than 4,000 electrical and mechanical amusement devices have been registered. In addition, more than 75 manufacturers, manufacturer's representatives, and distributors have registered with the Department.

"In order to comply with the law and avoid possible criminal charges, I urge all Iowans who own, operate, manufacture or distribute electrical and mechanical amusement devices to register these machines with the Department," Young concluded. DIA's Social and Charitable Gambling Unit is responsible for the registration of amusement devices. Individuals with questions about the law or the Department's administrative rules should contact the Unit at (515) 242-5264.